

1229 Lien Hwa Industrial Holdings Corporation

2020Q3 Consolidated Financial Report

Unit: NT\$ thousands

Balance Sheet				
Code	Accounting Title	2020/9/30	2019/12/31	2019/9/30
	Assets			
	Current assets			
1100	Cash and cash equivalents	1,825,186	1,758,023	2,758,066
1110	Current financial assets at fair value through profit or loss	135,306	285,264	205,122
1120	Current financial assets at fair value through other comprehensive income	474,551	440,588	425,384
1140	Current contract assets	2,247,315	1,781,951	2,223,170
1150	Notes receivable, net	205,057	174,615	171,948
1170	Accounts receivable, net	1,062,936	1,241,682	1,039,463
1200	Other receivables	69,443	29,153	78,831
1220	Current tax assets	19,948	48,460	48,520
130X	Current inventories	1,138,192	1,155,720	1,166,641
1470	Other current assets	329,924	313,896	337,760
11XX	Total current assets	7,507,858	7,229,352	8,454,905
	Non-current assets			
1517	Non-current financial assets at fair value through other comprehensive income	22,565,712	19,376,709	18,573,766
1550	Investments accounted for using equity method	14,300,769	13,020,127	12,715,514
1600	Property, plant and equipment	4,367,662	4,440,149	4,429,962
1755	Right-of-use assets	158,238	158,649	144,733
1760	Investment property, net	1,842,600	1,894,733	2,000,698
1780	Intangible assets	100,441	98,650	103,061
1840	Deferred tax assets	110,167	124,301	126,921
1900	Other non-current assets	164,390	202,273	111,936
1920	Guarantee deposits paid	116,578	152,995	60,435
1975	Net defined benefit asset, non-current	20,172	20,830	0
1990	Other non-current assets, others	27,640	28,448	51,501
1995	Other non-current assets, others	27,640	28,448	51,501
15XX	Total non-current assets	43,609,979	39,315,591	38,206,591
1XXX	Total assets	51,117,837	46,544,943	46,661,496
	Liabilities and equity			
	Liabilities			
	Current liabilities			
2100	Current borrowings	4,910,000	5,050,000	6,270,000

2110	Short-term notes and bills payable	2,068,966	1,039,800	1,174,702
2130	Current contract liabilities	391,204	101,787	214,543
2150	Notes payable	10,828	22,648	5,522
2170	Accounts payable	897,371	810,459	869,378
2200	Other payables	425,101	445,511	571,708
2230	Current tax liabilities	75,489	107,671	98,505
2280	Current lease liabilities	36,061	34,030	31,043
2300	Other current liabilities	26,388	20,426	23,219
2399	Other current liabilities, others	26,388	20,426	23,219
21XX	Total current liabilities	8,841,408	7,632,332	9,258,620
	Non-current liabilities			
2540	Non-current portion of non-current borrowings	1,300,000	900,000	900,000
2570	Deferred tax liabilities	148,824	148,013	150,915
2573	Deferred tax liabilities, others	148,824	148,013	150,915
2580	Non-current lease liabilities	57,558	58,969	46,132
2600	Other non-current liabilities	167,381	175,438	179,746
2640	Net defined benefit liability, non-current	13,146	13,293	14,765
2645	Guarantee deposits received	60,006	63,956	64,197
2670	Other non-current liabilities, others	94,229	98,189	100,784
25XX	Total non-current liabilities	1,673,763	1,282,420	1,276,793
2XXX	Total liabilities	10,515,171	8,914,752	10,535,413
	Equity			
	Equity attributable to owners of parent			
	Share capital			
3110	Ordinary share	12,814,983	11,047,399	11,047,399
3100	Total Share Capital	12,814,983	11,047,399	11,047,399
	Capital surplus			
3200	Total capital surplus	847,322	765,121	744,546
	Retained earnings			
3310	Legal reserve	3,471,062	3,059,406	3,059,406
3320	Special reserve	141,843	141,843	141,843
3350	Unappropriated retained earnings (accumulated deficit)	8,011,224	9,674,705	9,204,928
3300	Total retained earnings	11,624,129	12,875,954	12,406,177
	Other equity interest			
3400	Total other equity interest	3,884,230	2,494,677	1,809,414
3500	Treasury shares	(184,763)	(184,763)	(184,763)
31XX	Total equity attributable to owners of parent	28,985,901	26,998,388	25,822,773
		11,616,765	10,631,803	10,303,310

36XX	Non-controlling interests			
3XXX	Total equity	40,602,666	37,630,191	36,126,083
3X2X	Total liabilities and equity	51,117,837	46,544,943	46,661,496
3998	Equivalent issue shares of advance receipts for ordinary share	0	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	6,899,000	5,947,000	5,947,000

Unit: NT\$ thousands EPS Unit: NT\$

Statement of Comprehensive Income					
Code	Accounting Title	2020/7/1To9/30	2019/7/1To9/30	2020/1/1To9/30	2019/1/1To9/30
	Operating revenue				
4000	Total operating revenue	2,334,195	2,717,445	7,092,098	5,970,777
	Operating costs				
	Cost of sales				
5110	Total cost of sales	1,891,743	1,748,387	5,348,083	4,474,654
5000	Total operating costs	1,891,743	1,748,387	5,348,083	4,474,654
5900	Gross profit (loss) from operations	442,452	969,058	1,744,015	1,496,123
5950	Gross profit (loss) from operations	442,452	969,058	1,744,015	1,496,123
	Operating expenses				
6100	Selling expenses	139,772	146,035	396,049	374,894
6200	Administrative expenses	106,245	106,984	305,055	254,329
6300	Research and development expenses	9,199	11,558	27,786	32,720
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	0	(96)	652	(14,421)
6000	Total operating expenses	255,216	264,481	729,542	647,522
6900	Net operating income (loss)	187,236	704,577	1,014,473	848,601
	Non-operating income and expenses				
	Interest income				
7100	Total interest income	2,925	5,076	12,709	12,650
	Other income				
7010	Total other income	118,470	240,775	269,531	244,107
	Other gains and losses				
7020	Other gains and losses, net	1,729	(1,742)	590	565,698
	Finance costs				
7050	Finance costs, net	14,885	15,497	47,111	42,623
	Share of profit (loss) of associates and joint ventures accounted for using equity method				
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	773,532	483,129	1,536,771	1,170,046
7000	Total non-operating income and expenses	881,771	711,741	1,772,490	1,949,878
7900	Profit (loss) from continuing operations before tax	1,069,007	1,416,318	2,786,963	2,798,479
	Tax expense (income)				

7951	Current tax expense (income)	26,657	24,491	96,452	121,419
7950	Total tax expense (income)	26,657	24,491	96,452	121,419
8000	Profit (loss) from continuing operations	1,042,350	1,391,827	2,690,511	2,677,060
8200	Profit (loss)	1,042,350	1,391,827	2,690,511	2,677,060
	Other comprehensive income				
	Components of other comprehensive income that will not be reclassified to profit or loss				
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	63,900	(978,349)	1,718,363	216,649
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	322,549	(102,012)	636,386	656,515
8310	Components of other comprehensive income that will not be reclassified to profit or loss	386,449	(1,080,361)	2,354,749	873,164
	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation	94,858	(175,111)	(29,619)	(101,003)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	113,314	(196,276)	(66,180)	(116,654)
8360	Components of other comprehensive income that will be reclassified to profit or loss	208,172	(371,387)	(95,799)	(217,657)
8300	Total other comprehensive income	594,621	(1,451,748)	2,258,950	655,507
8500	Total comprehensive income	1,636,971	(59,921)	4,949,461	3,332,567
	Profit (loss), attributable to:				
8610	Profit (loss), attributable to owners of parent	985,044	1,002,027	2,238,490	2,311,739
8620	Profit (loss), attributable to non-controlling interests	57,306	389,800	452,021	365,321
	Comprehensive income attributable to:				
8710	Comprehensive income, attributable to owners of parent	1,576,053	21,642	3,672,896	3,152,119
8720	Comprehensive income, attributable to non-controlling interests	60,918	(81,563)	1,276,565	180,448
	Basic earnings per share				
9710	Basic earnings (loss) per share from continuing operations	0.77	0.79	1.76	1.81
9750	Total basic earnings per share	0.77	0.79	1.76	1.81
	Diluted earnings per share				
9810	Diluted earnings (loss) per share from continuing operations	0.77	0.79	1.76	1.81
9850	Total diluted earnings per share	0.77	0.79	1.76	1.81

Unit: NT\$ thousands

Statements of Cash Flows				
Code	Accounting Title	2020/1/1To9/30	2019/1/1To9/30	
	Cash flows from (used in) operating activities, indirect method			
A00010	Profit (loss) from continuing operations before tax	2,786,963	2,798,479	
A10000	Profit (loss) before tax	2,786,963	2,798,479	
	Adjustments			
	Adjustments to reconcile profit (loss)			
A20100	Depreciation expense	232,656	229,185	

A20200	Amortization expense	10,812	12,507
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	652	(14,421)
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	(217)	(2,031)
A20900	Interest expense	47,111	42,623
A21200	Interest income	(12,709)	(12,650)
A21300	Dividend income	(1,031,506)	(870,547)
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	(1,542,032)	(1,170,046)
A22500	Loss (gain) on disposal of property, plan and equipment	715	(11)
A22700	Loss (gain) on disposal of investment properties	(60)	0
A23100	Loss (gain) on disposal of investments	0	(551,654)
A23700	Impairment loss on non-financial assets	2,400	0
A29900	Other adjustments to reconcile profit (loss)	(67)	(128)
A20010	Total adjustments to reconcile profit (loss)	(2,292,245)	(2,337,173)
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31125	Decrease (increase) in contract assets	(465,364)	(408,371)
A31130	Decrease (increase) in notes receivable	(30,442)	86,663
A31150	Decrease (increase) in accounts receivable	177,838	79,163
A31180	Decrease (increase) in other receivable	(42,974)	40,352
A31200	Adjustments for decrease (increase) in inventories	2,524	(75,972)
A31240	Adjustments for decrease (increase) in other current assets	580	(78,004)
A31990	Decrease (increase) in other operating assets	658	(89)
A31000	Total changes in operating assets	(357,180)	(356,258)
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	289,417	2,508
A32130	Increase (decrease) in notes payable	(11,820)	605
A32150	Increase (decrease) in accounts payable	86,913	175,449
A32180	Increase (decrease) in other payable	(15,868)	55,014
A32200	Increase (decrease) in provisions	446	865
A32230	Adjustments for increase (decrease) in other current liabilities	6,334	(18,309)
A32240	Increase (decrease) in net defined benefit liability	(147)	(41,577)
A32000	Total changes in operating liabilities	355,275	174,555
A30000	Total changes in operating assets and liabilities	(1,905)	(181,703)
A20000	Total adjustments	(2,294,150)	(2,518,876)
A33000	Cash inflow (outflow) generated from operations	492,813	279,603
A33100	Interest received	12,693	12,607
A33200	Dividends received	1,991,109	2,143,074
		(47,748)	(42,066)

A33300	Interest paid		
A33500	Income taxes refund (paid)	(84,036)	14,039
AAAA	Net cash flows from (used in) operating activities	2,364,831	2,407,257
	Cash flows from (used in) investing activities		
B00010	Acquisition of financial assets at fair value through other comprehensive income	(1,573,917)	(675,537)
B00020	Proceeds from disposal of financial assets at fair value through other comprehensive income	0	11,309
B00030	Proceeds from capital reduction of financial assets at fair value through other comprehensive income	4,500	45,737
B00040	Acquisition of financial assets at amortised cost	(8)	0
B00100	Acquisition of financial assets at fair value through profit or loss	(173,678)	(538,632)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	307,088	486,092
B01900	Proceeds from disposal of investments accounted for using equity method	161	0
B02700	Acquisition of property, plant and equipment	(75,062)	(94,060)
B02800	Proceeds from disposal of property, plant and equipment	1,363	108
B03800	Decrease in refundable deposits	38,176	62,511
B04500	Acquisition of intangible assets	(9,292)	(2,880)
B05000	Net cash inflows from business combination	0	216,494
B05400	Acquisition of investment properties	(3,416)	(82)
B05500	Proceeds from disposal of investment properties	333	0
B06700	Increase in other non-current assets	(21,655)	(39,324)
BBBB	Net cash flows from (used in) investing activities	(1,505,407)	(528,264)
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	1,870,000
C00200	Decrease in short-term loans	(140,000)	0
C00500	Increase in short-term notes and bills payable	1,029,166	0
C00600	Decrease in short-term notes and bills payable	0	(7,840)
C01600	Proceeds from long-term debt	800,000	800,000
C01700	Repayments of long-term debt	(400,000)	(800,000)
C03000	Increase in guarantee deposits received	0	3,102
C03100	Decrease in guarantee deposits received	(5,627)	0
C04020	Payments of lease liabilities	(28,590)	(30,521)
C04400	Decrease in other non-current liabilities	(4,408)	(3,577)
C04500	Cash dividends paid	(1,758,068)	(1,674,350)
C05400	Acquisition of ownership interests in subsidiaries	(26,623)	0
C05800	Change in non-controlling interests	(266,806)	10,000
CCCC	Net cash flows from (used in) financing activities	(800,956)	166,814
DDDD	Effect of exchange rate changes on cash and cash equivalents	8,695	5,161
EEEE	Net increase (decrease) in cash and cash equivalents	67,163	2,050,968
		1,758,023	707,098

E00100	Cash and cash equivalents at beginning of period		
E00200	Cash and cash equivalents at end of period	1,825,186	2,758,066
E00210	Cash and cash equivalents reported in the statement of financial position	1,825,186	2,758,066

Unit: NT\$ thousands

Statements of Change in Equity															
		3110	3100	3200	3310	3320	3350	3300	3410	3420	3400	3500	31XX	36XX	3XXX
		Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
A1	Equity at beginning of period	11,047,399	11,047,399	765,121	3,059,406	141,843	9,674,705	12,875,954	(384,933)	2,879,610	2,494,677	(184,763)	26,998,388	10,631,803	37,630,191
B1	Legal reserve appropriated				411,656		(411,656)	0					0		0
B5	Cash dividends of ordinary share						(1,767,584)	(1,767,584)					(1,767,584)		(1,767,584)
B9	Stock dividends of ordinary share	1,767,584	1,767,584				(1,767,584)	(1,767,584)					0		0
C7	Changes in equity of associates and joint ventures accounted for using equity method			71,733			44,853	44,853		(44,853)	(44,853)		71,733		71,733
D1	Profit (loss)						2,238,490	2,238,490					2,238,490	452,021	2,690,511
D3	Other comprehensive income								(92,999)	1,527,405	1,434,406		1,434,406	824,544	2,258,950
D5	Total comprehensive income						2,238,490	2,238,490	(92,999)	1,527,405	1,434,406		3,672,896	1,276,565	4,949,461
M1	Adjustments of capital surplus for company's cash dividends received by subsidiaries			9,516									9,516		9,516
M5	Difference between consideration and carrying amount of subsidiaries			952									952		952

	acquired or disposed														
O1	Changes in non-controlling interests													(291,603)	(291,603)
Y1	Total increase (decrease) in equity	1,767,584	1,767,584	82,201	411,656	0	(1,663,481)	(1,251,825)	(92,999)	1,482,552	1,389,553	0	1,987,513	984,962	2,972,475
Z1	Equity at end of period	12,814,983	12,814,983	847,322	3,471,062	141,843	8,011,224	11,624,129	(477,932)	4,362,162	3,884,230	(184,763)	28,985,901	11,616,765	40,602,666

Unit: NT\$ thousands

Last year's Statements of Change in Equity															
		3110	3100	3200	3310	3320	3350	3300	3410	3420	3400	3500	31XX	36XX	3XXX
		Ordinary share	Total share capital	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings (accumulated deficit)	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury shares	Total equity attributable to owners of parent	Non-controlling interests	Total equity
A1	Equity at beginning of period	10,521,332	10,521,332	766,253	2,811,777	141,843	8,015,257	10,968,877	(195,325)	2,491,349	2,296,024	(2,393)	24,550,093	70,509	24,620,602
B1	Legal reserve appropriated				247,629		(247,629)	0					0		0
B5	Cash dividends of ordinary share						(1,683,413)	(1,683,413)					(1,683,413)		(1,683,413)
B9	Stock dividends of ordinary share	526,067	526,067				(526,067)	(526,067)					0		0
C7	Changes in equity of associates and joint ventures accounted for using equity method			(30,770)			(8,799)	(8,799)					(39,569)		(39,569)
D1	Profit (loss)						2,311,739	2,311,739					2,311,739	365,321	2,677,060
D3	Other comprehensive income								(206,063)	1,046,443	840,380		840,380	(184,873)	655,507
D5	Total comprehensive income						2,311,739	2,311,739	(206,063)	1,046,443	840,380		3,152,119	180,448	3,332,567
L5	Acquisition of company's share by subsidiaries											(182,370)	(182,370)		(182,370)

	recognized as treasury share														
M1	Adjustments of capital surplus for company's cash dividends received by subsidiaries			9,063									9,063		9,063
M3	Disposal of subsidiaries or investments accounted for using equity method						1,278,836	1,278,836	16,850	(1,278,836)	(1,261,986)		16,850		16,850
O1	Changes in non-controlling interests													10,052,353	10,052,353
Q1	Disposal of investments in equity instruments designated at fair value through other comprehensive income						65,004	65,004		(65,004)	(65,004)		0		0
Y1	Total increase (decrease) in equity	526,067	526,067	(21,707)	247,629	0	1,189,671	1,437,300	(189,213)	(297,397)	(486,610)	(182,370)	1,272,680	10,232,801	11,505,481
Z1	Equity at end of period	11,047,399	11,047,399	744,546	3,059,406	141,843	9,204,928	12,406,177	(384,538)	2,193,952	1,809,414	(184,763)	25,822,773	10,303,310	36,126,083